

FISCAL IMPACT STATEMENT ON BILL NO. **H3594**

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TO:	The Honorable Daniel T. "Dan" Cooper, Chairperson, House Ways and Means Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid		
DATE:	March 6, 2008	SBD:	2008106

AUTHOR:	Representative Neilson	PRIMARY CODE CITE:	9-1-10
SUBJECT:	Educational Service in the Retirement System		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

The proposed Bill amends Section 9-1-10, as amended, of the Code of Laws of South Carolina, 1976, relating to definitions for purposes of the South Carolina Retirement System, so as to add a principal, superintendent, or supervisor of classroom teachers in the definition of "educational service" as persons who may purchase educational service in the South Carolina Retirement System. This Bill will allow "private" school principals, superintendents and teacher supervisors to purchase service credit in the state retirement system. Currently, if someone worked for a private school, they can only purchase that service credit if they were a classroom teacher. Any principal, superintendent or classroom supervisor who worked for a "public" school may currently purchase that time as "public" service.

EXPLANATION OF IMPACT:

A review of this Bill by the Retirement System expects no actuarial fiscal impact, other than the general subsidy which already exists to the extent service credit is currently established at the rate of 16% of the member's current salary or career highest fiscal year salary, whichever is greater, for each year of credit purchased.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Harry Bell
Assistant Director, Office of State Budget